

**Workshop on Regulatory Issues**

**NARUC/USAID**

# ETHICAL ISSUES FOR THE REGULATOR

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## WHY WORRY ABOUT ETHICS

➤ It's the **Right Thing** to do

and

➤ It **Impacts** the **Business**

## THE IMPACT OF ETHICS

### *Cost of an Ethics Failure*

- Loss of business
- Fines and penalties
- Loss of company reputation
- Loss of employee morale
- Recruiting difficulties
- Employee turnover

## THE IMPACT OF ETHICS

### *Benefits of Ethical Business Conduct*

- Competitive advantage
- Customer Loyalty
- Enhanced reputation
- Positive work environment
- Employer of choice
- Employee retention

## ETHICS AND BUSINESS CONDUCT PROGRAM OBJECTIVES

- Promote high standards for ethical conduct
- Urge employees to report concerns or complaints
- Ensure that employees are trained in their jobs and know to seek advice when in doubt about what to do

## ETHICS AND BUSINESS CONDUCT PROGRAM

- Code of ethics and business conduct
- Ethics principles
- Ethics help-line
- Communications
- Employee survey
- Annual ethics awareness training
- Compliance training

## THE CODE OF ETHICS AND BUSINESS CONDUCT

- Sets the standard
- Ethical principles should represent the centerpiece of the code
- Published in several languages
- Accessible on the internal and external websites
- Receipt of acknowledgement requirement

## ETHICS PRINCIPLES

- **Honesty**
- **Integrity**
- **Respect**
- **Trust**
- **Responsibility**
- **Citizenship**



## HONESTY

- **To be truthful in all our endeavors**
- **Should be manifested towards colleagues and customers, suppliers, communities or shareholders**

## INTEGRITY

- To say what you mean
- To deliver what you promise
- To stand for what is right

## RESPECT

- **To treat one another with dignity and fairness**
- **To appreciate the diversity of our workforce and the uniqueness of each employee**

## TRUST

➤ To build confidence through:

- Teamwork
- Transparency
- Adequate communication

## RESPONSABILITY

- **To speak up, without fear of consequences, and report concerns in the organization, including:**
  - Violation of laws
  - Violation of regulations
  - Violation of organization policies
  
- **Seek clarification and guidance whenever there is doubt**

## CITIZENSHIP

- To obey all the laws of your country and the laws of the foreign countries in which you do your business
- To do your best for making your communities in which we live a better place to be

## ETHICS HELP-LINE

- **Toll-free, world-wide confidential Help-Line**
- **Feedback to callers**
- **Ethics activity data used to improve program**

## ANNUAL ETHICS TRAINING

- Live training for all employees
- Top-down cascade training
- Same message for all employees
- **Innovative training**



## ETHICS AWWARENESS

- Focused on role of perspective in decision-making
- Different perspectives and ethics principles to resolve ethics issues
- Based on case studies

## GENERAL CONCLUSION:

**GOOD ETHICS  
IS  
GOOD BUSINESS!**

## ETHICS FOR REGULATORS

- **100 % COMPLIANT WITH LISTED GENERAL ETHICS PRINCIPLES**
- **All regulatory authorities should have a Code of Ethics**

## SPECIFIC ETHICS FOR REGULATORS

- **Quality of the regulatory act**
- **Non-discrimination of regulatory act**
- **Transparency of regulatory act**
- **Predictability of regulatory act**
- **Harmonization of regulatory act**
- **Avoid political bias of the regulatory act**

## SPECIFIC ETHICS FOR REGULATORS

- Ensure that sector players correctly understand regulator's legislative initiatives and measures
- constantly exchange information with sector in order to ensure the quality of the regulatory act
- show flexibility and lack of dogmatism

**THANK YOU  
FOR YOUR ATTENTION!**